

Company registration number: 07219977
Charity registration number: 1138346

Harrogate Skills 4 Living Centre

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024

Harrogate Skills 4 Living Centre

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Harrogate Skills 4 Living Centre

Reference and Administrative Details

Chief Executive Officer H A Moorby-Davies

Trustees

M E Carter
Mrs B R Grant
Ms J M Williams
Mr L G Ford
Ms J Wain
Ms A Macready
Dr T Spackman - Resigned 26.12.2023

Principal Office 9 North Park Rd
Harrogate
North Yorkshire
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The charity is incorporated in England and Wales.

Company Registration Number 07219977

Charity Registration Number 1138346

Auditor Xeinadin Audit Limited
Trinity House
Thurston Road
Northallerton
DL6 2NA

Harrogate Skills 4 Living Centre

Trustees' Report

Structure, governance and management.

Harrogate Skills 4 Living Centre is a Company limited by guarantee, company number 07219977 and a registered Charity governed by its Memorandum and Articles of Association, charity number 1138346.

The Directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association the Company shall have a Board of Trustees comprising not less than six and not more than twelve persons. The chairman is appointed by the Trustees from their own number. The Trustees, who are also the directors for the purpose of company law, who served during the year are listed in the Reference and Administrative Details. The Trustees meet regularly to administer the charity.

The charity has reviewed its major risks during the year and systems have been established to manage those risks.

Trustees are recruited by various means such as, by placing of an advert on a website designed for recruiting Trustees, through our own networks or via other social media platforms.

Trustees are selected due to their business experience and have generally held or continue to hold senior or executive level roles across a range of both public and private sector organisations. They are required to remain up to date with sector developments and undergo regular training in specific areas such as safeguarding and GDPR.

During the reporting period the board have engaged in a recruitment process as it is necessary to continue to add a broad level of experience and diversity to help the charity carry out its work and meet its aims.

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2024.

As chair of the trustees, on behalf of the board, we are extremely grateful for the ongoing commitment, integrity and above all resilience of our care workforce, supporting of some of the most vulnerable and marginalised in our society. Everything we are trying to achieve relies on having the right staff with the right attitudes and values who are committed to delivering the highest quality care. Care work is complicated and significantly undervalued by society; our biggest challenge is recruiting and retaining the right staff who we must train and support, so that they want to stay in the organisation and the sector.

Continuing to strengthen and further embed our values culture whilst equipping staff with the right skills through training will allow HS4L to maintain its high-quality service provision and retain a skilled and passionate workforce.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Maintaining the financial security of our charity naturally remains the highest priority. Set against the context of an underfunded social care sector, the cost-of-living crisis and rising demand creates unique challenges requiring appropriate strategic responses that ameliorate the impacts of this 'triple-squeeze.'

Understanding the needs of our beneficiaries and providing support and resources that helps them overcome their barriers gives us the greatest opportunities for improving outcomes and delivering impact. Gaining appropriate feedback from our beneficiaries remains a paramount and vital aspect of what we do. Despite inherent communication difficulties we must use creative ways to obtain feedback that we can act on to inform our future work

Objectives and activities.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the relief of those in need and the advancement of education.

There are approximately 1.5 million adults with learning disabilities and a further 1% of the population have an autistic spectrum disorder in the UK. Typically, these individuals have lower educational attainment, difficulty finding and maintaining paid employment, poorer health outcomes and few opportunities for living independently.

The objectives of the Charity are:

To support adults in the Harrogate area and surrounds, with learning difficulties and disabilities and to enable them to enjoy rich fulfilling lives, learning, working, volunteering in our community.

To provide or assist with the provision of educational courses, social activities, training and advice to meet people's needs and abilities so that they may participate in community life.

To promote such other charitable purposes for the benefit of persons with learning needs and associated physical disabilities living in the Harrogate area and surrounds.

Our social objectives are to support our beneficiaries to experience:

- 1.Reduced isolation and more inclusion.
- 2.Increased independence and participation.
- 3.Well-being and to make informed healthy lifestyle choices.

Our vision is of a world without inequalities where our beneficiaries have the same opportunities to flourish and lead meaningful lives as their peers.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Aims

Harrogate Skills for Living (HS4L) is a charity with 30 years' experience supporting vulnerable people with learning disabilities and autism. Our mission is to support our beneficiaries to overcome the barriers and inequalities they face, so they can lead happy and fulfilled lives. HS4L is committed to supporting adults and young people (14 +) who have learning disabilities, autism, physical and mental health needs within the Harrogate Community and surrounding area.

HS4L seeks to promote and encourage the values of Communication, Care, Commitment, Competence, and Courage within our staff teams. Our staff are recruited for these values and are supported to engage in continual professional development to learn and maintain the competencies required to meet the needs of users with complex disabilities. We recognise the importance of positive, respectful communication and have the courage to hold each other and ourselves to account. Staff understand and recognise the behaviours that demonstrate our values and as such feel part of and committed to an organisation which values and appreciates staff working with us to deliver a service that goes "above and beyond".

Objectives

To provide a range of flexible and personalised services to vulnerable and socially excluded adults with learning disabilities in our community.

To empower individuals, so they can achieve maximum independence.

To increase individuals' control and choice over their lives and support them to achieve what matters to them.

To promote social inclusion and help people learn skills which help them in the community.

To provide best practice and individually tailored care, accommodation and learning services that specialise in working with people with learning, disabilities and autism.

To ensure that the views and opinions of beneficiaries are considered when making decisions around the way HS4LC runs its services.

To promote disability, gender and race equality.

To encourage positive risk-taking and individual outcome setting.

To support staff to engage in continual professional development as part of our culture of continued learning.

To work with our professional partners, including health services to ensure our beneficiaries receive timely and specialist support.

To provide information, advice and guidance in a sensitive, individualised manner.

To work in partnership with others, contributing to local policies and planning disabilities.

To ensure individuals' best interests are at the centre of every decision made.

To ensure individuals feel safe and are supported with dignity in all of our services.

To embed the principles of Positive Behaviour Support in all training and behaviour intervention.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Key strategies include:

Employing the right staff based on our values (care, compassion, competence, courage and commitment) and empowering them by giving them the skills they need to do the job to the best of their ability.

Engaging with our local community to better understand their needs and providing a diverse range of needs-based services.

Adopting a cycle of continuous improvement and development based on quality audit and assessments.

Maintaining appropriate health and social care specific accreditation such as, MATRIX and Excellence in Care.

Focusing on person centered outcomes and well-being.

To fulfill HS4L's purposes, our current activities include residential care, community-based day opportunities, pathways to employment, bespoke education and running two social enterprises that provide invaluable work-experience. In early 2025 we'll take responsibility for providing specialist supported living for 6 individuals with learning disabilities and autism. Through the provision of these services, we aim to help our beneficiaries overcome the barriers they face to leading happy, healthy, safe and meaningful lives.

Short-term (on-going) aims and objectives

Safeguarding our vulnerable beneficiaries from harm.

Gain outstanding for domains in residential care when assessed by the CQC.

Maintain Excellence in Care and MATRIX standards in 2024.

Recruit trustees to further diversify our board.

Deliver contracts and grant-aided projects effectively and efficiently.

Use appropriate outcomes measures to build our theory-of-change model and evaluate impact.

Long term aims and objectives

Develop partnerships to work together on reducing health inequalities.

Clearly demonstrate social value and impact.

Enable a user-led group to report directly to the board and coproduce future service solutions.

Register with Ofsted and Education Skills Funding Agency.

Develop housing options for beneficiaries.

Facilitate a local employer network and forum.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Current service provision approximate resource allocation:

- ¹ Residential care homes – 45 staff work in our 2 care homes, which accounts for approximately 70% of our income and expenditure.
- ² Day opportunities – 14 staff work in our day centre, which accounts for approximately 10% of our income and expenditure.
- ³ Employment and education – 17 staff work in our Skills Bridge centre, which accounts for approximately 20% of our income and expenditure.

Achievements and performance

Social Enterprise Award 2023

In March 2024 HS4L won the Social Enterprise Yorkshire and Humber - Large Social Enterprise (over £200k income) of the Year (2023) Award. The judges summed up why they chose HS4L against the other shortlisted finalists saying, "they are an impressive and inclusive organisation that is growing to meet the needs of their client base".

The award is a credit to staff in all parts of the charity and further demonstrates their commitment and passion for the invaluable work they do.

Recruiting and retaining our staff

"Recruitment and retention were already a major concern for employers; now, after the Covid-19 pandemic ravaged the sector and the UK exited the EU, it has become firmly entrenched as an existential threat for the foreseeable future." (Neil Eastwood, Saving Social Care, 2023).

The Care Quality Commission – State of the social care sector report (2024), stated that "despite recent reductions driven mainly by international recruitment, the sector still has a vacancy rate around 3 times higher than the wider economy. Furthermore, with turnover at 27%, this meant that at the end of 2023/24, over a quarter of staff in care homes had left their roles within a year".

Providing quality service provision in a highly regulated sector requires significant staff skills and competences. Until this reporting period (2023-2024), HS4L had been fortunate to have minimal turnover which meant that staff built long-term relationships with our beneficiaries who often have complex, coexisting health and social care difficulties. During the reporting period, largely as a response to the cost-of-living crisis, nearly 25% of our care staff left the sector altogether.

Ninety percent of applications for filling these vacancies were coming from non-UK domiciles seeking sponsorship to extend either student or dependency visas. When comparing the CVs, job experience, and qualifications of these applicants with local candidates, the standard was strikingly high. The local candidates we did encounter often had fractured CVs and disclosed mental health difficulties, which affected their reliability in previous roles.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

In October 2023, we decided to apply for a sponsor license. Although the process was complex, it opened the door to a new workforce. Over the past 12 months, we have hired four Nigerian nationals at Brackenley Care Home and one Zimbabwean national, as well as another Nigerian national at Briardene Care Home. One of our recruits from Nigeria was appointed directly to a senior role, demonstrating competence in leading shifts and supervising the team from the first shift and quickly earning the respect of her colleagues.

In total, we have paid for four sponsorship certificates. The costs associated with our license and sponsorship certificates have largely been covered by a grant from the International Recruitment Bursary. All our international staff have been with us for at least eight months; one has already completed her care certificate, another is enrolled in a level three diploma, and a third has been accepted into the nurse associate training program, during which she will work with us. By pursuing this new recruitment strategy, we have successfully maintained safe staffing levels with competent, skilled workers.

Best Interests Decisions

The Deprivation of Liberty Safeguards (DOLs) were introduced under the Mental Capacity Act (MCA) 2005. The safeguards were designed to protect the human rights of people aged 18 or over if they do not have the mental capacity to consent to their care arrangements and they need to be deprived of their liberty. The safeguards apply in care homes and hospitals. If a person is deprived of their liberty, they are not free to leave the premises on a permanent basis, for example to live where and with whom they choose to, and they are subject to continuous supervision and control. This means they are monitored or supervised for significant periods of the day, and they are not allowed to make important decisions about their own life. The safeguards are vital in ensuring that such deprivation of liberty only happens when it is necessary, proportionate and in the person's best interests.

Representing our beneficiaries' best interests is a key part of our service delivery, which can require an in-depth knowledge and understanding of the Mental Capacity Act 2005. The following two examples illustrate this in practice:

The 2023/24 period presented the home (Briardene) with the challenge of supporting a resident with mental health needs and learning disabilities in making decisions regarding their care for end-stage kidney disease. Management and staff were concerned that the resident might be denied access to dialysis due to their learning disability, as this seemed to be the case in initial discussions.

The home manager skillfully coordinated a best interest process involving all healthcare professionals and the resident's family, ensuring that all principles of the Mental Capacity Act were upheld. Various methods were employed to help the resident understand both dialysis and an alternative conservative treatment pathway. This included visits to the dialysis unit at York Hospital and multiple home visits. Ultimately, the best interest decision concluded that a conservative pathway was the best option, but only after thoroughly exploring every available option, including solutions for ongoing staffing to support multiple treatments a week, reassuring the family that resources would not influence the outcome.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Both our homes have experienced occasional diagnostic overshadowing where a healthcare professional attributes someone's symptoms or behaviours to their learning disability or autism without exploring other physical or mental health determinants. It means co-existing health conditions such as anxiety, depression, hormone imbalances and pain conditions can be overlooked without persistent advocacy.

Brackenley resident (P) who has been with us for over 30 years was having a great deal of trouble with severe arthritis in her knee, an x-ray showed that her knee was bone on bone which will have been extremely painful. Her GP, however, decided that she couldn't have a new knee as in his opinion, P wouldn't cope with the recovery.

This didn't sit well with the staff team so we asked for a second opinion from another GP at her surgery who agreed that the operation should go ahead and made a referral to the consultant to meet her. The consultant also agreed that the operation needed to happen as P is relatively young and in extreme pain, often needing a wheelchair to get out and about.

The manager contacted the learning disability nurse specialist at Harrogate hospital and organised an Independent Mental Capacity Advocate (IMCA) to come and see P and spend time with her to ensure that she wanted a new knee. The IMCA helped P understand what having a replacement knee would be like and gave her information in easy-read and videos to watch, to further inform her understanding. All parties agreed that it was in her best interest to go ahead with the operation and the disability nurse practitioner booked P's theatre slot.

The surgery went well, and staff then supported P on the ward as she recovered and continued to support her to regain her confidence in her new knee.

Maintaining quality marks and accreditations:

- 1 Excellence in Care assessment feedback - HS4LC (Harrogate Skills 4 Living Centre) are based in the centre of Harrogate and operate a day service for adults with learning disabilities and autism. HS4LC has two residential care homes, Brackenley and Briardene. The Homes provide residential care to people who may be living with a learning disability or autistic spectrum disorder, dementia, a physical disability, sensory impairment, mental health needs or an eating disorder. Both homes provide twenty-four-hour residential care to 26 residents in total. The two Homes were successfully reviewed in February 2023.

Subsequently, HS4LC concentrated on embedding excellence still further. The current focus is on getting things right first time, and this includes recruitment, with a need to get a person that fits the job and the culture. In addition, the 18 months has seen PCS (Person Centred Software) being massively increased in its scope - 'There was a clear determination to maximise its potential'. PCS is now recording and reporting the highly personalised service which is indicative of HS4LC. 'PCS is demonstrating the lengths we go to in order to engage and support in a person centred, totally inclusive approach'. This review provided the opportunity to discuss the impact of PCS and the continuous improvements being made by HS4LC in their determination to maintain excellence

Harrogate Skills 4 Living Centre

Trustees' Report Continued

² Information, advice and guidance (IAG) - Matrix Standard - maintained (09/2024) Learners enter the service through self-referral, signposting from NYC, or as an 'added value offer' for residents of the two residential homes. The use of social media has proved to be particularly beneficial in attracting new learners and this is now being tracked by the Centre Manager to ascertain which channel works best. When an enquiry comes in, the administration team gathers relevant information from the referrer, potential learner, or family member about their likes, dislikes, interests, medical history, or physical needs. This ensures the right 'match' of services to individuals. Detailed information is given about the courses on offer, which may also include costs, any accessibility considerations, and the venue. The organisation's website is also a good place to gain information, and this has improved over recent years to include case studies and more details on each service offered. Courses have a basic outline with the exact content being shaped by the learners themselves. It is not unusual for everyone in the group to have differing targets or milestones to achieve and tutors work hard to ensure the session meets these.

Each learner accessing the service has a different set of needs and desires which are noted on individual learning plans. The main objective of the service is to meet these needs which could include participating more fully in society, gaining employment, or developing new skills. Many of the learning plans change as learners are exposed to new experiences, with revisions being noted and acted on. Progress is monitored through observations, reviews of learning plans as well as more naturally occurring interaction with learners.

Most of the objectives around developing new skills within learning plans are met although due to the nature of some of the learners' disabilities, some are 'not met yet' and carried over to the next year or session. In most cases these are then met, or good progress is made towards them. Everyone makes progress in some way although this can sometimes be in areas not expected. Stimulating opportunities continue to be added to the support services on offer for learners such as the Café a short distance away from the Day centre. This provides a real-life experience of the world of work for many learners. "It's a game-changer, there are so many opportunities for our learners to get a proper job and develop really important skills". As several of the learners are also residents of the homes, staff from across the organisation now work much more closely, with some shared resources resulting in a more complete picture of learners' needs and progress. "It's lovely when someone from one of the homes tells me that X was trying something out in the home that we'd done here."

Much of the learner's success is down to the commitment and passion of the staff. This has been especially evident post pandemic as the whole team have shown how adaptable and flexible they are, with numerous examples being shared during the assessment.

Health Inequalities

Health inequalities for autistic people and people with a learning disability is still an unacceptable issue. The latest Learning from Lives and Deaths – people with a learning disability and autistic people (LeDeR) report, published in November 2023, highlighted that life expectancy for these groups of people remains lower than for the general population. The report again shows that people from all ethnic minority backgrounds are at an increased risk of premature death.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

While the report shows evidence of an increase in life expectancy for women with a learning disability, they are still dying 23 years earlier than women in the general population. In addition, the number of deaths of people with a learning disability who live in the most deprived areas of the country are 3 times more than those living in the least deprived areas. The LeDeR report goes on to say that 42% of deaths of people with a learning disability were rated as avoidable, compared with 22% for the general population.

Only around a quarter of people with a learning disability were recorded on the learning disability register, which means that many people are missing out on the proactive care and treatment they are entitled to. Despite fewer new referrals for autism diagnoses over 2023/24, the average waiting time to start an assessment reached a peak of nearly a year (328 days) in April 2024, rather than the recommended 3 months.

HS4L provides services and support that aim to tackle the root causes of health inequalities with an emphasis on making informed choices that are more likely to lead to better long-term health outcomes. For example, sessions making healthy meals or taking regular physical activities, such as walking and going to the gym. Unfortunately, many of our beneficiaries are unable to access mainstream activities such as leisure centers independently but can gain valuable health benefits, with our support and encouragement. Staff also make sure that our beneficiaries get the care and support that they should receive from primary health care by signposting to relevant services and liaising with professionals.

Future support services will continue to focus on helping our beneficiaries to overcome the health inequalities that they face. Working in partnership with other local providers and primary care providers is likely to produce a more joined-up approach to overcoming these seemingly intractable issues and HS4L will be proactive in seeking like-minded partners to achieve long term and lasting changes.

Mid-summer 2024, HS4L led a partnership funding bid to the Yorkshire and Humber Integrated Care Board for a project aimed at tackling systemic health inequalities such as diagnostic overshadowing, but the bid was not successful.

Diagnostic overshadowing in the context of learning disabilities this means that 'symptoms of physical ill health are mistakenly attributed to either a mental health/behavioural problem or as being inherent in the person's learning disabilities' (Emerson and Baines, 2010).

Our main goals are outlined in our strategic business plan (2022-2025).

- 1 The development of specialist supported housing in the locality.
- 2 Improving engagement with our local learning disability and autistic community.
- 3 Increasing income in both our social enterprises and maximising employment opportunities for our beneficiaries.
- 4 Diversifying our board and developing a user-led sub-group.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Progress against these goals:

- 1 Specialised Supported Housing (SSH) -working with property developer Purpose Homes limited and Registered Housing provider Westmorland Housing Association limited, HS4L are due to take on the provision of care of a 6-apartment block* on 20th January 2025. Applications to CQC and NYC are being processed and potential tenants assessed for occupation in early February 2025.

* Built on the site of the former Little Wonder Hotel and completed in late Autumn 2024, Little Wonder House has 6 modern, specialised supported living apartments over 3 floors. Each apartment is self-contained with living room, kitchen, shower/toilet and separate bedroom. Office and staff sleep-in accommodation is on the 3rd floor.

Outside the property there is a small communal area and parking for one car. Two further staff and visitor parking spaces are allocated in the car park of the adjacent property Epsom House.

Located less than a mile from the town centre the apartments are within easy walking distance of shops and all local amenities. Little Wonder House is well served by public transport with a bus stop less than 25 metres away giving access to local services as well as those further afield.

The accommodation is suitable for adults with mild to moderate learning disabilities and autism who have a degree of independence but require support and guidance to maintain autonomy and enhance the quality of their lives.

Little Wonder House aims to provide a safe, inclusive, and empowering environment for six independent adults with learning difficulties and autism. Our core objective is to foster autonomy while ensuring tailored support that enables individuals to thrive in their daily lives. We are

- 2 Community engagement - HS4L's National Lottery funded 'engage-22' project was completed in the autumn 2023. The report outlined what 'a good life looked like' with suggestions for where things could be better, and improvements made. A small group of people with lived experience formed a co-production group consider the next steps and ways to codesign future service provision.
- 3 Increasing income and opportunities for employment – both our social enterprises have worked hard to increase revenue whilst continuing to provide opportunities for work experience and gaining transferable work skills. Demand for these opportunities is high and we're currently operating a waiting list. Café sales have increased by over 10% and remain steady. Chocolate sales have fallen a little and we're working with a marketing advisor to improve our reach. We're currently going through SALSA (Safe and Local Supplier Approval) self-assessment prior to a full audit. We need SALSA accreditation to supply supermarkets and it'll demonstrate our commitment to high quality food standards. Operational staff are working hard to increase income and raise awareness of our
- 4 Diversifying the board – HS4L continues to look for more trustees in order to diversify the board further.

Further developments:

Our day-centre numbers have returned to close to pre-pandemic levels with regular referrals being taken.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Skills Bridge student numbers remain steady for the period (n=35). Towards the end of the reporting period, we began the Rise2Thrive, UK Shared Prosperity funded programme which will continue to support both economically active and inactive people with learning disabilities and autism to gain skills, qualifications and work experience with the ultimate goal of paid employment for some. HS4L is both a keyworking partner and intervention provider. It is anticipated that the UKSPF will continue beyond spring 2025.

Whilst improving wellbeing for our beneficiaries underpins all our work, we will need to improve our data gathering and use of metrics to clearly show what specific benefits are attributable to our work and thereby demonstrate our impact. Our 'theory-of-change' model needs to be finalised and shared more widely.

We currently have several staff trained to use the Star Outcomes assessment process which takes a holistic approach focused on important domains that influence the individuals' outcomes. To make the most of this valuable assessment tool we will need more trained staff in all areas of the charity. Using Stars Outcomes, combined with recognised tools for measuring mental wellbeing such as the Short Warwick Edinburgh Mental Wellbeing Scale (SWEMWBS) will give HS4L more opportunities to capture data and demonstrate impact more consistently.

Financial review

We are disappointed to report that there has been a further decrease in total charity funds this year from £1,293,253 in 2023 to £1,172,850 in 2024, largely as a result of rising wages, interest and resources costs. Total funds include £1,002,458 Unrestricted funds and £170,392 Restricted funds.

Two unexpected care home voids contributed to the decrease in funds, however we are pleased to report that both have been filled by the time of this report.

Management have continued to work on reviewing supplier contracts in order to keep a stronger control over spiraling overheads. Whilst progress has been made with reduced energy costs and the BOE interest rate reducing, wages costs continue to rise following the impact of the government's budget policy decisions.

We are pleased to report that since year end, the BOE interest rate has continued to fall, which is having a favorable impact on our previously rising interest costs.

While the majority of our income continues to be derived from statutory contracts, amidst rising wages costs, local authorities have been prompt and supportive in our requests for reviews of individual contracts, where client care needs have increased or altered. Furthermore we have continued with our success in securing additional future grant and contract income from other sources.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Grants received in the reporting period from:

IGEN Trust
Shears Charitable Foundation
Bailey Thomas Foundation
Fenton Trust

HS4L are most grateful to all our supporters, volunteers and benefactors who recognise the value of the work we do, and we will continue to support our beneficiaries to lead healthy, happy and fulfilled lives by providing choices and opportunities that will lead to positive outcomes and personal well-being.

Reserves

The level of reserves held by the charity is calculated annually by the business planning sub-group taking into account all potential risks to the charity's finances. The aim is to have two to three months of operating costs as free reserves. However the current level is £80,000 based on net current assets.

Plans for Future Periods

Our 2022-2025 business plan sets out our main goals and objectives. User-involvement and co-production are seen as essential elements for third sector organisations wishing to find solutions to systemic difficulties within health and social care. Wherever feasible and within current resources, HS4L will seek grant funding to ameliorate and facilitate additional projects that fall within our core aims and objectives for instance, overcoming health inequalities by training 'health ambassadors' and supporting young people and their families during 'transitions' between children's and adults' services. Grant applications will also be made for core funding as a result of our budget forecast.

HS4L tries wherever possible to gain feedback from our beneficiaries both about the services and support they're receiving as well as activities they'd like to do in the future. These views are fed back to the trustees via our business planning sub-group and are reflected in our strategic plans. We need to find ways to measure appropriate metrics that will clearly show how our beneficiaries are achieving positive outcomes throughout their time with us. This is a complex area needing significant focus over to coming years.

The trustees are fully supportive of the charity's direction and activities which continue to meet the needs of beneficiaries and their families.

The board recognise the need to consolidate funds in the short to medium term and will only develop new provision where the business case demonstrates a high likelihood of a good return on resource investment. The economic climate remains challenging for all charities and particularly those in the health and social care sector. Being efficient with our resources and finding savings where possible continues as a high priority.

Harrogate Skills 4 Living Centre

Trustees' Report Continued

Disclosure of information to auditor.

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on29/5/25..... and signed on its behalf



B Grant Trustee

Harrogate Skills 4 Living Centre

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Harrogate Skills 4 Living Centre for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 29/5/25 and signed on its behalf by:



B Grant
Trustee

Harrogate Skills 4 Living Centre

Independent Auditor's Report to the Members of Harrogate Skills 4 Living Centre

Opinion

We have audited the financial statements of Harrogate Skills 4 Living Centre (the 'charity') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Harrogate Skills 4 Living Centre

Independent Auditor's Report to the Members of Harrogate Skills 4 Living Centre

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Harrogate Skills 4 Living Centre

Independent Auditor's Report to the Members of Harrogate Skills 4 Living Centre

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement principal ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management, and from our commercial knowledge and experience of the charitable sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Harrogate Skills 4 Living Centre

Independent Auditor's Report to the Members of Harrogate Skills 4 Living Centre

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the company's legal advisors and any other relevant regulator or body.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Harrogate Skills 4 Living Centre

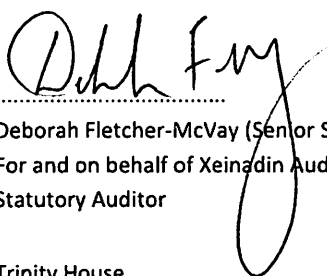
Independent Auditor's Report to the Members of Harrogate Skills 4 Living Centre

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Deborah Fletcher-McVay (Senior Statutory Auditor)
For and on behalf of Xeinadin Audit Limited
Statutory Auditor

Trinity House
Thurston Road
Northallerton
DL6 2NA
Date:

29/5/25

Harrogate Skills 4 Living Centre

Statement of Financial Activities for the Year Ended 31 August 2024

(Including Income and Expenditure Account)

	Note	Unrestricted funds	Restricted Income Funds	Total 2024
		£	£	£
Income and Endowments from:				
Donations and legacies	3	10,995	450	11,445
Charitable activities	4	2,419,462	26,050	2,445,512
Total Income		<u>2,430,457</u>	<u>26,500</u>	<u>2,456,957</u>
Expenditure on:				
Charitable activities	5	(2,542,762)	(35,168)	(2,577,930)
Other expenditure		-	-	-
Total Expenditure		<u>(2,542,762)</u>	<u>(35,168)</u>	<u>(2,577,930)</u>
Net income/(expenditure)		<u>(112,305)</u>	<u>(8,668)</u>	<u>(120,973)</u>
Transfers between funds	16	-	-	-
Net movement in funds		(112,305)	(8,668)	(120,973)
Reconciliation of funds				
Total funds brought forward		1,114,193	179,060	1,293,253
Total funds carried forward	16	<u>1,001,888</u>	<u>170,392</u>	<u>1,172,280</u>

	Note	Unrestricted funds	Restricted Income Funds	Total 2023
		£	£	£
Income and Endowments from:				
Donations and legacies	3	2,621	14,059	16,680
Charitable activities	4	2,253,289	29,403	2,282,692
Total Income		<u>2,255,910</u>	<u>43,462</u>	<u>2,299,372</u>
Expenditure on:				
Charitable activities	5	(2,335,724)	(40,402)	(2,376,126)
Other expenditure		-	-	-
Total Expenditure		<u>(2,335,724)</u>	<u>(40,402)</u>	<u>(2,376,126)</u>
Net income/(expenditure)		<u>(79,814)</u>	<u>3,060</u>	<u>(76,754)</u>
Transfers between funds	16	-	-	-
Net movement in funds		(79,814)	3,060	(76,754)
Reconciliation of funds				
Total funds brought forward		1,194,007	176,000	1,370,007
Total funds carried forward	16	<u>1,114,193</u>	<u>179,060</u>	<u>1,293,253</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 16.

Harrogate Skills 4 Living Centre

(Registration number: 07219977)
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	10	83,327	104,159
Tangible assets	11	1,899,079	1,933,484
		<u>1,982,406</u>	<u>2,037,643</u>
Current assets			
Stock		6,971	-
Debtors	12	100,010	81,014
Cash at bank and in hand		239,813	340,740
		<u>346,794</u>	<u>421,754</u>
Creditors: Amounts falling due within one year	13	<u>(265,634)</u>	<u>(263,801)</u>
Net current assets/(liabilities)		<u>81,160</u>	<u>157,953</u>
Total assets less current liabilities		2,063,566	2,195,596
Creditors: Amounts falling due after more than one year	14	<u>(891,286)</u>	<u>(902,343)</u>
Net assets		<u>1,172,280</u>	<u>1,293,253</u>
Funds of the charity:			
Restricted income funds		170,392	179,060
Unrestricted funds		1,001,888	1,114,193
Total funds	16	<u>1,172,280</u>	<u>1,293,253</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements on pages 21 to 36 were approved by the trustees, and authorised for issue on 29/5/25 and signed on their behalf by:



B Grant
Trustee

Harrogate Skills 4 Living Centre

Statement of Cash Flows for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net income/(expenditure)		(120,973)	(76,754)
Adjustments to cash flows from non-cash items			
Depreciation	5	85,267	82,215
Amortisation	5	20,832	20,832
(Profit)/loss on disposal	5	1,375	-
		<u>(13,499)</u>	<u>26,293</u>
Working capital adjustments			
Decrease/(increase) in debtors	12	(18,996)	(45,606)
Decrease/(increase) in stocks		(6,973)	
(Decrease)/increase in creditors	13	2,832	35,532
Net cash flows from operating activities		<u>(36,636)</u>	<u>16,219</u>
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(52,235)	(452,191)
Sale of tangible fixed assets		-	-
Net cash flows from investing activities		<u>(52,235)</u>	<u>(452,191)</u>
Cash flows from financing activities			
Increase/(Decrease) in loans and borrowings	13	(12,056)	290,582
Net increase in cash and cash equivalents		(100,927)	(145,390)
Cash and cash equivalents at 1 September		340,738	486,128
Cash and cash equivalents at 31 August		<u>239,811</u>	<u>340,738</u>
Reconciliation of net cash flow to movement in net funds			
(Decrease)/Increase in cash		(100,927)	(145,390)
Cash outflow from repayment of loans/ (Inflow from new loans)		12,056	(290,582)
Change in net (debt)/funds resulting from cash flows		<u>(88,871)</u>	<u>(435,972)</u>
Net debt at 1 September 2023		(574,661)	(138,689)
Net debt at 31 August 2024	18	<u>(663,532)</u>	<u>(574,661)</u>

All of the cash flows are derived from continuing operations during the above two periods.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

1 Charity status

The charity is a charitable company, incorporated in England and Wales, limited by guarantee and consequently does not have share capital.

The address of its registered office is:

9 North Park Road
Harrogate
North Yorkshire
HG1 5PD

Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The accounts are presented in Sterling (GBP).

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Harrogate Skills 4 Living Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably. Income derived from the provision of goods and services is shown net of VAT.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants received are declared as income in the period of receipt, unless they relate specifically to a purpose in a later period.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	14 years straight line

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Building	2% Straight line
Leasehold Improvements	7.5% Straight line
Fixtures and fittings	20% Reducing balance
Office Equipment	20% Reducing balance
Plant and machinery	20% Reducing balance
Motor Vehicles	20% Reducing balance

Stock and finished goods

Stock and finished goods are valued at the lower of cost and net realisable value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) i The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

Debt instruments (continued)

- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

3 Income from donations and legacies

	Unrestricted funds		Total	Total
	General	Restricted funds	2024	2023
	£	£	£	£
Donations and legacies;				
WAV Fundraising	-	450	450	14,059
Donations from individuals and other organisations	10,995	-	10,995	2,621
	<u>10,995</u>	<u>450</u>	<u>11,445</u>	<u>16,680</u>

There are no unfulfilled conditions or contingencies attached to these donations.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

4 Income from charitable activities

	Unrestricted funds		Restricted funds	Total	Total
	General	Other income		2024	2023
	£	£	£	£	£
Charitable income;					
Daycentre income	588,325	-	-	588,325	513,759
Carehome income	1,699,655	-	-	1,699,655	1,622,093
Chocolatiere income	5,207	-	-	5,207	41,483
Café income	42,236	-	-	42,236	41,327
Sundry Income	24,721	-	-	24,721	13,248
Access to Work	44,318	-	-	44,318	21,379
Infection control grant	-	-	-	-	-
Daycentre grants	-	-	900	900	7,750
iGen Trust	-	-	25,150	25,150	21,653
Bailey Thomas	15,000	-	-	15,000	-
Workforce development fund	-	-	-	-	-
	<u>2,419,462</u>	<u>-</u>	<u>26,050</u>	<u>2,445,512</u>	<u>2,282,692</u>

Included in Restricted Funds income are grants of £25,150 (2023 - £21,653) awarded for the purpose of supported employment and £900 (2023 - £7,750) for management costs.

5 Expenditure on charitable activities

	Activity undertaken directly	Activity support costs	Direct costs (restricted)	Total	Total
	£	£	£	2024	2023
	£	£	£	£	£
Consumable resources	146,176	-	-	146,176	130,812
Wages and salaries	37,121	1,713,235	25,150	1,775,506	1,594,316
Rent and rates	48,000	215,809	-	263,809	268,688
Office expenses	-	203,191	419	203,610	228,984
Depreciation, amortisation and other similar costs	-	97,879	9,599	107,478	96,915
Care Home Supplies	-	-	-	-	-
Residents Activities	-	-	-	-	-
Loan interest	-	74,781	-	74,781	50,411
	<u>231,297</u>	<u>2,304,895</u>	<u>35,168</u>	<u>2,571,360</u>	<u>2,370,126</u>

In addition to the expenditure analysed above, there are also governance costs of £6,570 (2023 - £6,000) which relate directly to charitable activities. See note 6 for further details.

iGen grant supported the funding of an employee with a salary of £21,684.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

6 Analysis of governance and support costs

Governance costs

	Total	Total
	2024	2023
	£	£
Auditors Fees	6,570	6,000
	<u>6,570</u>	<u>6,000</u>

7 Trustees remuneration and expenses

There were no trustee expenses or remuneration paid in the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	1,616,663	1,452,691
Social security costs	122,678	110,912
Pension costs	36,165	30,713
	<u>1,775,506</u>	<u>1,594,316</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024	2023
	No	No
Employees	<u>80</u>	<u>79</u>

80 (2023 - 79) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £36,165 (2023 - £29,032).

Pension contributions of £2,094 (2023 - £1,910) were paid on behalf of Key Management Personnel during the year.

One employee (Key Management Personnel) received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £72,836 (2023 - £63,704).

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 September 2023	291,645	291,645
Additions		
At 31 August 2024	<u>291,645</u>	<u>291,645</u>
Amortisation		
At 1 September 2023	187,486	187,486
Charge for the year	<u>20,832</u>	<u>20,832</u>
At 31 August 2024	<u>208,318</u>	<u>208,318</u>
Net book value		
At 31 August 2024	<u>83,327</u>	<u>83,327</u>
At 31 August 2023	<u>104,159</u>	<u>104,159</u>

Goodwill arose on the purchase of Brackenley care home. It is operating from leased business premises. The assets and contracts were purchased.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2023	2,057,362	336,994	2,394,356
Additions	-	52,235	52,235
Disposals	-	(20,933)	(20,933)
At 31 August 2024	<u>2,057,362</u>	<u>368,296</u>	<u>2,425,658</u>
Depreciation			
At 1 September 2023	248,919	211,953	460,872
Charge for the year	50,087	35,180	85,267
Eliminated on disposals	-	(19,560)	(19,560)
At 31 August 2024	<u>299,006</u>	<u>227,573</u>	<u>526,579</u>
Net book value			
At 31 August 2024	<u>1,758,356</u>	<u>140,723</u>	<u>1,899,079</u>
At 31 August 2023	<u>1,808,443</u>	<u>125,041</u>	<u>1,933,484</u>

Included within the net book value of land and buildings above is £1,635,959 (2023 - £1,673,855) in respect of freehold land and buildings and £122,397 (2023 - £134,590) in respect of leaseholds.

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Notes to the Financial Statements for the Year Ended 31 August 2024

12 Debtors

	2024	2023
	£	£
Trade debtors	53,126	26,674
Prepayments and accrued income	39,452	48,879
Other debtors	7,432	5,461
	<u>100,010</u>	<u>81,014</u>

13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Bank loans	12,056	13,055
Trade creditors	43,707	24,816
Other taxation and social security	46,656	41,235
Other creditors	59,248	51,105
Accruals and deferred income	103,967	133,590
	<u>265,634</u>	<u>263,801</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2024	2023
	£	£
Charity Bank	<u>12,056</u>	<u>13,055</u>

The loan is secured by fixed charge on the buildings on East Parade, North Park Road and North Barn, and a floating charge over all other assets.

There was no grant income received during the year that relates to the following period.

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

14 Creditors: amounts falling due after one year

	2024	2023
	£	£
Bank loans	<u>891,286</u>	<u>902,343</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2024	2023
	£	£
Charity Bank	<u>891,286</u>	<u>902,343</u>

The loan is secured by fixed charge on the buildings on East Parade, North Park Road and North Barn, and a floating charge over all other assets.

Included in the creditors are the following amounts due after more than five years:

Included within long term creditors is a loan from Charity Bank of £891,286 repayable by 288 monthly installments of £7,248.69

Interest is charged at a rate of 3% above Bank of England Base Rate

The amount payable after five years is £822,836 (2023 - £845,060)

15 Lease Commitments

Non-cancellable operating leases under 1 year

	2024	2023
	£	£
Brackenley	48,000	48,000
Café	<u>22,450</u>	<u>22,450</u>
	<u>70,450</u>	<u>70,450</u>

Non-cancellable operating leases between 1 and 5 years

	2024	2023
	£	£
Brackenley	192,000	192,000
Café	<u>89,800</u>	<u>89,800</u>
	<u>281,800</u>	<u>281,800</u>

Non-cancellable operating leases over 5 years

	2024	2023
	£	£
Brackenley	-	48,000
Café	<u>33,675</u>	<u>67,350</u>
	<u>33,675</u>	<u>115,350</u>

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

16 Funds

	Balance at 1 September 2023	Incoming resources	Resources expended	Transfers	Balance at 31 August 2024
	£	£	£	£	£
Unrestricted funds					
General	1,114,193	2,430,457	(2,542,762)	-	1,001,888
Total unrestricted funds	1,114,193	2,430,457	(2,542,762)	-	1,001,888
Restricted funds					
iGen Trust	-	25,150	(25,150)	-	-
Power to Change Grant	172,000	-	(4,000)	-	168,000
WAV Fundraising	7,060	450	(5,599)	-	1,911
Other Grants	-	900	(419)	-	481
Total restricted funds	179,060	26,500	(35,168)	-	170,392
Total funds	1,293,253	2,456,957	(2,577,930)	-	1,172,280

	Balance at 1 September 2022	Incoming resources	Resources expended	Transfers	Balance at 31 August 2023
	£	£	£	£	£
Unrestricted funds					
General	1,194,007	2,255,910	(2,335,724)	-	1,114,193
Total unrestricted funds	1,194,007	2,255,910	(2,335,724)	-	1,114,193
Restricted funds					
iGen Trust	-	21,653	(21,653)	-	-
Power to Change Grant	176,000	-	(4,000)	-	172,000
SEIF	-	14,059	(6,999)	-	7,060
Other Grants	-	7,750	(7,750)	-	-
Total restricted funds	176,000	43,462	(40,402)	-	179,060
Total funds	1,370,007	2,299,372	(2,376,126)	-	1,293,253

Power to Change Grant was received in December 2016 to support the purchase of Briardene Carehome

The donation is depreciated at 2% straight line

The WAV fundraising income was used to purchase the wheelchair accessible vehicle. This is depreciated at 20% reducing balance basis. The fundraising did not cover the full cost of the car purchase and funds continue to be raised.

Grants from iGen Trust and other grants were all received to support people in work. Resources were fully expended in the year

Harrogate Skills 4 Living Centre

Notes to the Financial Statements for the Year Ended 31 August 2024

17 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024
	£	£	£
Intangible fixed assets	83,327	-	83,327
Tangible fixed assets	1,728,687	170,392	1,899,079
Current assets	346,796	-	346,796
Current liabilities	(265,634)	-	(265,634)
Creditors over 1 year	(891,286)	-	(891,286)
Total net assets	<u>1,001,890</u>	<u>170,392</u>	<u>1,172,282</u>

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
	£	£	£
Intangible fixed assets	104,159	-	104,159
Tangible fixed assets	1,754,424	179,060	1,933,484
Current assets	421,754	-	421,754
Current liabilities	(263,801)	-	(263,801)
Creditors over 1 year	(902,343)	-	(902,343)
Total net assets	<u>1,114,193</u>	<u>179,060</u>	<u>1,293,253</u>

18 Analysis of net funds

	Balance at 1 September 2023	Cash flow	Balance at 31 August 2024
	£	£	£
Cash at bank and in hand	340,740	(100,927)	239,813
Debt due within one year	(13,055)	999	(12,056)
Debt due after more than one year	(902,346)	11,057	(891,289)
Net debt	<u>(574,661)</u>	<u>(88,871)</u>	<u>(663,532)</u>

	Balance at 1 September 2022	Cash flow	Balance at 31 August 2023
	£	£	£
Cash at bank and in hand	486,126	(145,388)	340,738
Debt due within one year	(26,173)	13,118	(13,055)
Debt due after more than one year	(598,643)	(303,700)	(902,343)
Net debt	<u>(138,690)</u>	<u>(435,970)</u>	<u>(574,660)</u>

19 Capital Commitments

There were no unfulfilled capital commitments

20 Related party transactions

There were no related party transactions in the year (2023 - none)